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ABSTRACT

Pros and cons of family-related benefits from both the employee's and the employer's viewpoints are first delineated in this transcription summarizing symposium presentations. Subsequent addresses focus on (1) the acceptability, availability, and affordability of employer-supported day care (in slide/cassette format); (2) reasons for and ways of providing flexible compensation and benefits; and (3) work time options, including part-time, job-sharing, and flextime employment. Also included are a report on the National Employer Supported Child Care Project and a discussion of child care options for employers and families in San Diego County. (RH)

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San Diego Symposium

Employers and Families: Strategies for Mutual Benefit

FRIDAY, APRIL 15, 1983

COUNCIL CHAMBERS, AZTEC CENTER
SAN DIEGO STATE UNIVERSITY

PROGRAM

- 8:30 Welcome. Overview of day's schedule. Dorothy W. Hewes, Ph.D.
- 8:45 ***Pros and Cons of Family Related Benefits - The Employee's Viewpoint***
Ruth Unterman, M.S.W., Clinical Social Worker in Private Practice
- Pros and Cons of Family Related Benefits - The Employer's Viewpoint***
Israel Unterman, D.B.A., Harvard Business School, Management Consultant
- 9:45 ***Employer Support for Families - A Visual Presentation***
Jan Lockwood Fischer, doctoral candidate, University of Illinois
- 10:00 Coffee Break
- 10:30 ***Flexible Compensation: A Forward Look***
Stephen R. Camferdam, Consultant, Hewitt Associates, Los Angeles
- 11:30 ***Work Time Options for the Eighties***
Nan McGuire, Employer Program Manager, New Ways to Work, San Francisco
- 12:30 Lunch
- 1:30 ***Report of the National Employer Supported Child Care Project***
Kay Clark, Research Associate, Pasadena/Washington, D.C.
- 2:30 ***Local Options for Employers and Families***
Jean Brunkow, Executive Director, San Diego Childcare Resource Service, moderator, with
panel of San Diegans presenting their programs:

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INTRODUCTION AND WELCOME

Dorothy W. Hewes, Ph.D., Professor of Child Development, SDSU

Since 1940, the number of working women in the United States has doubled. Eleven million will enter the labor force during this decade of the 80's, and nearly half of the total female labor force will have preschool children. By 1990, it is estimated that over ten million American children will need work-related child care. Child care workers and home economists involved with family studies have become increasingly aware of statistics like these.

On a federal level, there is increased demand for corporate involvement in programs that were formerly assumed by government agencies. The question remains as to how much financial responsibility will be taken over by industries and businesses. Recent studies indicate that corporate contributions have increased at the rate of only 1.6 percent per year between 1965 and 1979; although corporate giving including corrections for inflation rose 15 percent in both 1978 and 1979, its growth slowed to 4 percent in 1980 and appears to be declining since then. New tax cuts have raised the ceiling on deductible corporate contributions from 5 to 10 percent of a corporation's net income starting in 1982, but it is felt by many officers of those corporations that there are so many benefits now that there is little incentive to give more to "worthy causes" such as on-site child care centers or other family support programs.

On a national level, despite the gloomy picture of corporate giving, there is an increased awareness of the sound business practices that are involved with family support programs. Companies that are now operating child care centers, resource and referral programs, and other innovative

services find that their employees have greater loyalty, work harder to achieve the company goals, and have lower turnover and absenteeism. Sensitive personnel policies like flexitime, job pairing, variable working hours and task contracting have been initiated to help working parents reconcile work and family responsibilities. Some businesses have adopted a fringe benefit package that is called the "cafeteria plan" because it allows employees to choose the benefits that best meet their needs.

In the San Diego area, according to results of a 1981 "Questionnaire on Absenteeism and Child-rearing Responsibilities" sent to all major corporations and other large enterprises in late summer 1981, there is little awareness of family problems among employees and minimal awareness of alternatives that will be of mutual benefit to employers and employees. Through this symposium, it is felt that personnel officers and other representatives of local business will be introduced to the many options available to them. In addition, community action will be catalyzed by having members of unions, early childhood programs, government planning agencies, and students here to find out what is happening across the country. We expect fruitful discussions between members of these groups in our coffee break and luncheon periods, and encourage everyone to talk with the invited panel members after the symposium is officially concluded.

PROS AND CONS OF FAMILY RELATED BENEFITS - THE EMPLOYEE'S VIEWPOINT

Ruth Untermann, MSW, Licensed Clinical Social Worker

In 1960, 19 percent of married mothers of children under six years of age worked outside of the home. In 1979, 43 percent of these mothers worked outside the home. In 1990, the projection is that 50 percent of all mothers with preschool-age children will be working.

While there has been an increase in the number of women working who have young children, there has been a relative decrease in the number of child care centers available in this country.

There has been a stereotypic thought pattern that day care centers are designed for welfare mothers who are single and receive AFDC funds. Now, there is an increasing number of women who have young children in need of care who are in the managerial and professional roles as well as the military families. The Army estimates that there are 27,000 single parents in their ranks and most of them are fathers.

Another reason for the increased need for child care centers in today's society is that there is a general lack of the extended family support system, since families rarely reside in the same community with their parents.

Ms. Untermann has become aware of the impact of the lack of adequate child care facilities upon her clients as she counsels with families in crisis. To add a personal perspective to the statistics, several vignettes were shared, composites of clients seen in recent years, to point up the need for quality child care in the lives of individual families.

Joey: Joey is a 12-year-old boy who lives with his working mother, stepfather, younger brother, and an 18-month-old half-brother. The precipitation for the family crisis was that Joey would not come home from school and the stepfather's response became to paddle him regularly. This made the mother angry and upset and in turn made the natural father in another city angry and he began to withhold his child support money. What was needed was a good, reliable after-school child care program in their immediate community which would have helped avoid this problem. Instead, the child was shipped off to the natural father and stepmother and things got even worse for him.

Kathy: Kathy is 27 years old now and pregnant with her second child. She was a high school graduate, got married early and at 23 was a divorcee with a 2-year-old child. Her mother cared for the child while she worked, but when she got pregnant again in a few years without marriage, the mother said she would no longer babysit. Kathy cannot go to work or to school without a viable child care program. What is needed here is a good child care program which Kathy can afford. There is none in her area.

Carol: Carol is a divorced mother of two young children whose father has deserted them. Her own parents tell her to make the estranged father pay child support (which he will not do) and to stay home with her children herself. Babysitters come and go. There is a friend down the street who says she will help when she can. But, you cannot hold down a job without firm child care. What is needed here is a reliable child care center in her neighborhood. There is none she can afford.

Mike: Mike is a Navy pilot whose wife works at the local PX. There is too much confusion in their lives. The mother and father go two separate ways each morning and try to give reminders about dentists, after school practice, etc. to their children who must take more responsibility for their care than they are old enough to assume. What is needed here is a good after-school child care program which could supervise them until the parents are free. There is none.

Tina: Tina is a 34-year-old attorney who recently married an architect. She has worked hard and achieved a real sense of accomplishment being hired by a prestigious law firm. Her husband who has also worked hard, now wants to start his family. Tina is balking. They are having a family crisis. He says he wants to have a baby. She says, "How will we manage?" He says, "Don't worry about it." She says "What will you do to help?" He says, "We'll get someone." She says, "Who, where?" He says, "Don't worry about it." They both want their careers which both involve long, odd hours and frequent trips out of town. Their plight is common nowadays to many dual career families who must juggle careers and family. What is needed here is a good infant child care program with extended hours. This is not available for them.

Child care choices in a community by their very presence can alleviate and often eliminate the source of many family crises.

PROS AND CONS OF FAMILY RELATED BENEFITS - THE EMPLOYER'S VIEWPOINT

Israel Untermann, D.B.A., Professor, College of Business Administration, San Diego State University

(Dr. Untermann is a consultant to international service companies. He has an active interest in ten other companies and has worked with 40 not-for-profit organizations. He retired from business at 40 and received a doctorate at Harvard. He has written seven books, many articles, and two plays. He currently works for the U.S. Department of State on cross-cultural negotiation techniques. Dr. Untermann became interested in employer-sponsored day care centers in the 1960's. He has followed their progress through the years.)

In 1969, the Vice President of AT&T stated that a 1 percent reduction in turnover alone would save the Bell system \$2 million a year. One of their companies, Illinois Bell, has reported the results of establishing a child care center in a very positive fashion.

In 1980, one study estimated that there are approximately 100 hospitals and 25 businesses sponsoring child care for their members. Dr. Untermann noted, "Mind you, out of the whole country, only 25 businesses are supporting a child care network for their employees!"

The following positive benefits were reported by another study. Out of 72 employer sponsored child care centers:

- 34 employers reported lower turnover rates
- 39 employers reported lower absenteeism rates
- 53 employers reported that it was easier to recruit new employees
- 38 employers noted a more positive attitude in their employees toward their company
- 40 employers noted a more positive attitude in their employees attitudes toward work

These are very definite pluses for any business.

Obviously, the advantage to business in less absenteeism, less tardiness, less turnover, worker loyalty, worker productivity, and the tax advantages would all seem to indicate that this is a positive venture for companies. However, very few companies are making the choice to include child care centers. Here are some of the disadvantages noted by companies in a 1971 survey:

1. They feel centers are unprofitable and unnecessary in times of economic recession when they can find plenty of employees who will either not need or not demand a child care center.
2. Companies would want complete control of the child care center and not seek any community involvement.

3. Unions may not see a child care center as a major bargaining issue when salaries and retirement benefits barely keep pace with the cost of living.
4. There is a distinct possibility that by placing a child care center near industrial centers one would be putting the child into a detrimental atmosphere with the dangers of pollution, congestion, and unpleasant surroundings.
5. It may be difficult to find suitable areas for child care centers where areas are zoned for business.

A study was done in 1978 of on-site child care centers. Seventeen reported a mean subsidy for operating a child care center was \$57,000 per year if the business paid all the cost, less if the parents paid a share. In 1981, it was estimated that a center for 25-75 children will require a start-up funding of \$50,000-\$150,000 and a yearly operating budget of \$70,000-\$250,000. This represents a cost of \$2,000-\$3,000 per child per year. Most companies charge parents a fee, but fees are usually low cost and the company makes up the difference.

Providing day care is a legitimate fully deductible business expense if the center's purpose is to increase productivity. Even with tax relief, it is costly because child care is so labor intensive. The major measure of quality in a center is a low teacher-child ratio. Most centers spend at least 70 percent of revenues on staff salaries. Even though companies can't expect to make a profit on a child care center, it must be cost effective.

In 1943, the relationship between business and child care center really began when Kaiser shipyards opened a center. It is important to note that this was sponsored by an unusual man with an unusual company, accustomed to working with Permanente Hospital and willing to take on an on-site child care center.

The success rate of centers has not been encouraging. One survey in 1973 could only identify 13 company centers. Of those, only two still remain today: Stride Rite and Control Data. Also, the number of hospital centers decreased 23 percent between 1958 and 1978. The rise and fall of child care centers sponsored by businesses goes up and down like the stock market. Only 8-10 organizations have continuously been operating a child care center. Dr. Untermann made these conclusions:

Corporate presidents who enact child care centers are active in politics and in the arts. They have a humanitarian emphasis. The thrust has to stem from the top, it cannot stem from the Personnel Department if the head of the company is not amenable.

The business must be comfortably profitable to even consider the topic. There must be evidence that on-site child care centers do help productivity. There needs to be an organized demand of some sort from a union, from parents, both male and female, as well as dual career families. With demand coming only from below it is doomed to failure. It must be coupled with an attitude of acceptance at the top, with management having a deep human relations value system.

From Dr. Untermann's observations, problems arose even with those presidents who were so inclined and were willing to spend the money. The most important was that of insurance. When the first child in one center was hurt and the parents sued, the insurance company raised the insurance premium. When the second such accident also resulted in a parent suing, the insurance company canceled the policy. He pointed out that there is a simple way to get around this situation. A not-for-profit company which is not affiliated directly with the corporation can be formed to run the child care center. The parent company will make a decision to give this not-for-profit organization \$200,000 a year, which is tax deductible. Then the corporation has no legal responsibility whatsoever. Parents form their own board of directors, hire a director, staff, and formulate a curriculum. Business can provide the money and then let the child care professionals run the program. An important concluding question Dr. Untermann posed is why not a single San

Diego private company has decided to provide on-site child care. Why is industry not more involved?

A few potential examples of child care centers being considered for San Diego's future were mentioned during the discussion period. One was the proposal by former Councilwoman Susan Golding to do a downtown working mother survey to determine the extent of need for a city-sponsored child care center. The owner of Horton Plaza expressed an interest in housing such a center if the need were apparent. Another possibility mentioned was the proposed industrial park near the intersection of I-5 and 805 which is considering including a child care center in their industrial park plans to be utilized by residents of the park. This is a new twist on the consortium concept where several companies work together to sponsor a child care center for the use of all their employees.

EMPLOYER SUPPORT FOR FAMILIES - A VISUAL PRESENTATION

Jan Lockwood Fischer, doctoral candidate at the University of Illinois at Urbana

Jan Fischer contributed an up-to-date slide/cassette overview of employer supported child care with a focus on acceptability, availability, and affordability. Her presentation provided term definitions, a historical review, and ten program options in relation to employers currently giving support.

FLEXIBLE COMPENSATION - A FORWARD LOOK

Steve Camferdam, Consultant, Hewitt Associates

Hewitt Associates is a firm of actuaries and consultants specializing in compensation, employee benefits, communication, and related human resource

and financial matters in the United States and Canada. Mr. Camferdam discussed how to provide flexibility in both compensation and benefits. First he covered the objectives, in other words, what are companies trying to accomplish by putting in a flexible plan? Second, he outlined the fundamentals of how to put together a flexible plan. (Many points were emphasized with graphic slides that cannot be reproduced here.)

Definition of flexible compensation: A system under which each individual has some choice as to the form of all or a portion of that person's compensation.

Typical programs to date offer:

1. Additional coverages the employee can pay for, i.e., more life insurance
2. Ways the employee and employer can split the cost on benefits for a family
3. A portion of employer money set aside, over which the employee has discretionary power

Why is there an interest in flexibility? In the earlier 80's only a few major companies were interested. Now more companies, including smaller ones, are interested. Since companies spend an average of 37 percent of their payroll on benefits, it is an important issue. Here are some of the reasons companies are examining flexibility:

1. Some real tax advantages are available with these programs.
2. It is seen as a way to control benefit costs.
3. It appeals to the diverse needs of the current work force, which is more divergent than in past years. For example, ten years ago the typical employee had a nonworking spouse and two children. As you know, today there are a whole variety of family situations represented in the work force.

TAX SITUATIONS Benefits represent nontaxable income to the employee. The federal government is currently using tax laws to achieve certain social goals. For example, employees covered by a pension plan set up an IRA account. In 1981 the government opened this option in an attempt to encourage employees to save money. Also, health insurance premiums are not counted as taxable income.

Employer stock option plans, PAYSOPs (Payroll Stock Ownership Plans), also provide a means of reducing the payroll on a pre-tax basis. Group legal benefits also fall into this pre-taxable income category. Another example of offering pre-tax funds to employees is paid dependent child care. The shifting tax policy has made flexible compensation more appealing as now only what the employee receives in pay will be taxed.

The term "cafeteria plan," is used to refer to flexible compensation programming. In the past, the typical plan was for employers to pay their full share for all employees' benefits and keep adding each year to this program. This was not a tenable situation and flexibility for the employee to choose among a variety of offered benefits helps the employers keep a lid on the expense per employee. This is where the employee can choose how to spend from a pool of discretionary funds up to a certain amount. Employees like the opportunity of tailoring the program to fit their own circumstances.

Due to the changing nature of the work force, the flexible plan is more appealing to a large number of people. Today females make up about one half of the work force, there are more two-income families and more older workers entering the work force. The traditional family of one working husband, one nonworking wife and two children only makes up about 15 percent of the work force today.

Management can make a decision as to how much extra money to spend among certain areas and can keep expenses down accordingly in comparison to the more traditional methods.

Under a flexible benefit program, an employer will cut back to a "core" level of benefits and then examine the money freed up by this and do one of three things:

1. Add more money
2. Rearrange the existing program
3. Freeze costs levels and then allocate a portion of the future pay increases as freed up funds over which the employee would have discretionary power.

There are several types of such plans in effect and their evolution ties in with the tax breaks that emerged along the way. In 1974 there were cash deferred plans, in 1980 the salary reduction possibility led to the cafeteria-type plans. Others are currently under consideration.

When developing this type of plan, the employer needs to restrict the number of options so that it is not overwhelming to the employees. Adverse selection is a potential problem wherein employees who choose the medical plan with the most coverage are those who will be using it the most and drive up costs for all. This can be lessened by having certain programs linked or having a longer period of time employees must stay with one plan once chosen. The employer has a responsibility to help the employee make wise choices. One way is through a core of benefits. Another is to review the selections and provide counseling when necessary. There is a greater start-up effort and more ongoing tasks necessary with flexible programming. This is an expansion of options and an extension of what was offered in the past.

This sort of plan has appeal to employees because:

1. They like the freedom of choice in the flexible program

2. They get "more bang for the bucks." In other words, they get more satisfaction from the same amount of money.

3. They get more benefit satisfaction for less money.

Mr. Camferdam integrated the option of child care into the broad spectrum of corporate benefit programs in an optimistic and reassuring manner.

WORK TIME OPTIONS FOR THE EIGHTIES

Nan McGuire, Employer Program Manager, New Ways to Work, San Francisco

Ms. McGuire began by talking about time. She recently attended the first annual dislocated workers' conference. "Dislocated worker" is not just a euphemism for "unemployed" because today we are seeing large segments of the population who suddenly find themselves unemployed and the major industries which used to re-employ them no longer can do so. On the way to that conference she was reading the March 10, 1983, Newsweek article regarding the conference. A quote from that article is important: "You know a couple of years ago I had more money than I could spend and I had no time. Now I have more time than I know what to do with and I have no money."

More and more people are becoming interested in parttime work for a variety of reasons. In August of 1982 Money Magazine ran an article entitled "Parttime Jobs," and listed her agency, New Ways to Work, as a resource. This article described many permanent halftime positions being shared by people including two women who share the position of City Attorney for the city of Palo Alto. "Within three weeks of this article, we received over 2500 letters from every state in the country asking for more information on permanent parttime work. Forty-nine percent of the letters came from men." It shocks heads of corporate personnel departments who can't believe men wish to work parttime. There will be more demand from men for this option than

ever before. There is a stereotype of parttime workers as shirkers, working for the pinmoney, and that they are not serious. Men have a hard time admitting an interest in permanent parttime work. Women who are entering the work force at higher entry levels are being influenced by their male role models before them to be "driven" and are also reticent to bring up the possibility of permanent parttime work to their bosses.

Why do employers consider jobsharing? Here are some reasons why they are listening to the requests for this option:

1. We have a much more mobile workforce today than ever before.
2. Public sector employers began to offer this option and now (since 1974) many states such as California and Massachusetts require state agencies to provide more flexible hours and options. In many cases other governmental agencies have followed their lead.
3. Private sector motivation for offering this option is due to the resulting tremendous increase in employee morale.
4. Permanent parttime work options decrease absenteeism and increase productivity.
5. Job sharing is often initiated to retain a valued employee. It is harder to talk about job retention incentives when we are experiencing the current economy.
6. Some more innovative employers see these options as recruitment pluses, which will cut advertising budgets for recruitment.
7. Energy or transportation reasons often call for the initiation of staggered work hours to alleviate traffic congestions, such as with the John Hancock Company.

The history of flexitime usually starts about 1970. In 1967 in Germany it was started to alleviate congestion, coupled with the need to entice women

into the work force. Some of the major users of flexitime in this country are the insurance companies because they are heavily populated with women; major companies took the lead and the others have followed.

There are a variety of ways to initiate flexitime, as Ms. McGuire noted:

1. Compressed work week: This is not one of my favorite options. It is most used in continuous operation companies. Four days/40 hours is a standard. Other variations include a 3-day weekend every other weekend. Fire and police departments have used this successfully due to the nature of their work, but it has the highest failure rate of the various options. Perhaps this is because employees are out of synchronization with the rest of the work world such as customers or clients.

2. Permanent parttime: This option has been around a long time. Since 1960 the numbers of professionals working parttime have grown dramatically. New Ways to Work was funded as a work resource center to provide counseling in this area in 1972. The initial focus of the organization was to aid the people laid off in space age industry or to search for ways to sell concepts such as these to employers. Parttime work is the mainstay of places such as restaurants which have peak periods. Traditionally employers have taken advantage of parttime workers, offering them no benefits. I feel we are not talking about true permanent parttime work unless prorated benefits are offered. One study of 300 or 400 firms showed organizations are offering benefits in greatly increased numbers. An answer to insurance coverage questions is for the company to only pay a percentage of the coverage cost while the parttime employee pays the rest.

3. Job sharing: Historically the starting point for this as a movement is about 1974. The state of Massachusetts Welfare and School District got a

CETA grant to study the impact of job sharing. It is an "in" thing now with the media spending a great deal of time on it.

Child care and worktime options really do complement each other as benefits. They are definitely not an either/or relationship. Some mothers would much rather have work time flexibility to be available to children in their teen years, so the issue is not just one for preschool mothers.

The latest publication of the New Ways to Work organization is: The Job Sharing Handbook. This is useful for employees and employers alike as it tells how to manage the work arrangement and also tells how to approach employers with a suggested arrangement.

REPORT ON THE NATIONAL EMPLOYER SUPPORTED CHILD CARE PROJECT

Kay Clark, Research Associate, National Employer Supported Child Care Project

The National Employer Supported Child Care Project was funded by the Administration for Children, Youth and Family in the Health and Human Services Department to be an 18-month project. Funding has been extended for two additional months. There were several main goals and certain other things that evolved. The main idea was to take a look at what is currently going on in the United States and observe growth patterns in the field of Employer Supported Child Care. The goal was to survey the programs in existence to determine first of all how the programs are set up.

"One survey was sent to the program director to find out how many children are served, what type of program it is, how they set it up, who they had set it up, what problems they encountered in setting it up, what solutions they found, etc. We also sent a survey to a representative at the company. It was usually sent to the Chief Personnel Officer of the company.

Most of the time it was filled out by the personnel director or employee relations manager. That section of the survey was designed to discover the benefits, if there were any benefits, of the employer supported child care centers. First of all we asked why they became involved in child care in the first place. Then we asked what problems they had anticipated; what problems they had realized; what kind of benefits they felt the company experienced due to the program. Some companies were able to give very detailed answers, others were able to give only general impressions.

"These answers were compiled and are included in the letter we send to interested parties who write for information. The companies who allowed their name to be used are listed. Other companies were contacted and cooperated, but did not wish to be listed."

The next thing that is coming out very soon is the "How to. . .Manual." This is the book that the other three staff members have been working on. It is basically the needs assessment, all the different options, and the benefit information. It has all been compiled into a lengthy book which is designed to aid employers in modifying what they have or starting up something new. It should be very useful to anyone interested in employer sponsored child care. Another publication by the budget director will come out a little later.

Ms. Clark discussed the national survey methods and results. The first thing was to locate the programs in existence in the United States. This task took about four months. The process used was to contact two or three key people in each state. There was no good method available such as a computer bank with all the information. Instead the list of 415 was compiled after a networking effort to discover the names of programs currently operating in each state.

The study was looking at four main types of employers: hospitals, industry, government and unions. In determining what employer sponsored child care is, several types were included such as: on-site centers, voucher systems, supporting existing child care programs, information and referral services, summer and after school care, and family day care programs.

Due to the necessary method of gathering information, the 415 number is not exhaustive. When compared to a similar survey (1978) which discovered only 100 such programs, you can see the interest in this topic is growing. Many say that due to the economy, we are not seeing the big spurt of growth which was anticipated. However, many more companies are now interested in learning more about employer supported child care.

It was interesting to see state trends. California, Texas, Minnesota, Michigan, Missouri and New York were the forerunners. These are states with large urban areas. States such as Alaska, Maine, Nevada, Utah and Wyoming were the least progressive. All have suffered from weak economies, chronic high unemployment and have a conservative viewpoint toward child care.

The company-run, on-site center option demands the biggest commitment from the employer. Of the 415 companies interviewed, about one-half are running a center themselves. One way to handle these centers is to have the center run by company employees. An example of this is the Maui Pine-Sugar Company. They spent about one quarter million dollars building and furnishing a center. They are proud of it and are looking toward the future dollar return rather than only the initial outlay. Their philosophy is not that it is a benefit or an obligation, but a response by the company to a need expressed by company employees.

Another way to go is an on-site center run by outside people. For example, a proprietary system such as Kindercare will come in to provide a

package deal which is readily accessible. Walt Disney World is using the Kindercare Program.

Companies can also own their own off-site center. Some companies have more than one center. This is an advantage to employees, since they can use the center closest to their homes. Sometimes the centers have different locations to provide for separate programs such as the St. Mary's Hospital Infant and Preschool Centers in Wisconsin. Some centers are purposely located off the company site in order to house them near or on the site of a nursing home to provide intergenerational contacts.

Some companies will support an existing child care program in the community. This would occur in places where there is an abundance of quality child care available in the community. About 91 out of the 198 were using the support system option.

A company may also provide the one time start-up funds for the center or provide needed improvements. Harbor Day Care, Inc. was funded to start an infant care program. The center then became self-sufficient, but the employers now had a quality infant care facility to whom they could refer their employees. Another way is to provide an outside center with funds to expand hours to help meet the specific needs of their employees.

Companies can make arrangements with an outside center to make ongoing donations in exchange for either reduced tuition and/or a certain number of slots to be held for their employees. The company may pick up tuition for slots reserved but not used by their employees. The employees are reasonably assured a slot and they can get a 10-20 percent discount rate due to the arrangement between the company and the center.

Still another option is to support a chain of centers. This is being done by the Mt. Sinai Hospital. They support three different centers in their area.

Family day care networks can be organized by the companies themselves. Only 7 of the 198 were using this option. Others plug into existing referral networks. One company is paying for training and support for an ongoing family day care network. Thirty-six of the 198 companies were utilizing an Information, Resource and Referral Program to provide their employees with necessary services. This is good when there is enough good child care in the community. The company can have one employee be in charge of this function or they can contract with or support a separate referral service.

Another less direct, but helpful way to be involved is to publish a child care directory. Digital Equipment Corporation of New Mexico is doing this. Their directory also outlines what to look for in a good child care center.

A voucher reimbursement program directly helps parents to pay for child care which they seek on their own. Seventy of the 198 used this method. KPFA radio in Berkeley gives a monthly flat rate reimbursement. Polaroid has a nationwide voucher program for child care.

Some companies turn their efforts toward extending hours in existing centers providing summer programs for school age children, providing a summer camp or utilizing a YMCA program. Even just providing transportation alone to such a program can be a big help to employees.

Some companies combine more than one option. For example, a child care center may only take children over six months of age. The company may provide a referral service for the infants under six months of age. They can also combine center and family day care in the same manner. It all depends on parent needs. Another support program is parent education programs as a direct service to employees at the lunch hour, etc. Companies can target certain groups (i.e., odd hours hospital shift) by providing child care services to recruit or retain employees in this target group. Most centers (one-quarter to one-half) serve only their own employees' children, but may open up to others if they are not full. Others may set out initially to provide community child care also. Of the 198 programs, 154 accepted children from infancy through school age.

Reasons companies consider providing child care:

1. To recruit key employees
2. To recruit for a certain job or shift
3. To reduce absenteeism
4. To compete with other similar companies who do provide child care
5. To provide positive public relations for the company
 - a. It gives them a progressive look
 - b. It contributes to good morale within the company
 - c. It often produces good media coverage
6. Often when high officials in a company are experiencing child care problems it will produce the impetus to pursue that avenue even when there are no other indications of need.

7. Concerns expressed by employees
8. To recruit younger people
9. To maintain a program that has become an institution within the company. For example, in the South in some older companies, the child care issue is never questioned; it is an expected part of the company benefit program.

Certain characteristics were determined by the study. The companies ranged from fewer than 100 employees to over 5,000 employees. The number of families served ranged from 10 to 100. Of all the options, centers usually serve the most employees. Sixty programs had existed for more than ten years and about 80 had been in existence for less than one year. Therefore, you can see there are some stable situations, but there are even more new programs. This indicates an interest in continuing and expanding this field of child care. The companies represented were mostly those where the work force was female labor intensive. Most often women made up 3/4 of the work force.

This study confirmed those done previously in regard to benefits cited by employers:

1. Reduced turnover
2. Reduced absenteeism
3. Improved recruitment
4. Increased productivity
5. Enhanced public relations and image
6. Morale
7. Scheduling flexibility

- 8. Reduced tardiness
- 9. Less need for temporary help
- 10. Affirmative action

The survey asked company representatives about complaints from employees who don't use the program. There were no negative reactions cited.

LOCAL OPTIONS FOR EMPLOYERS AND FAMILIES

The concluding portion of the symposium brought together members of the San Diego community to present a perspective of the local options for children and families.

Jean Brunkow, Executive Director, San Diego Childcare Resource Service

Ms. Brunkow spoke first about what the Child Care Resource Center is and what it does. We are very fortunate in California to have a positive climate toward child care. There are a total of 56 agencies in California which are state funded to help families find child care. In addition to this function, the Childcare Resource Service can assist anyone with questions about child care in general. Even though in San Diego County there is no corporate child care center, there are certainly a number of ways in which child care needs are being met.

The need for child care in San Diego County is great. An estimated 100,000 children under 15 need child care. There are only 35,000 licensed spaces for those children. We know that about half of them are being cared for in their own homes or friends' and relatives' homes. The big question is, "What is happening to those other children?" That answer we don't have. Childcare Resource Service receives about 1,000 calls a month from people seeking child care information. They are primarily looking for preschool

care, infant care, and school-age care. It is our responsibility to match up their needs with what is available in the community. Because of polls and our documentation, as well as what we know is available in the community, we can make the accurate statement that there is a need for child care in San Diego County.

What we say is that there is a need for quality, affordable child care. Specifically there is a need for after school care, for infant care in certain areas, and a need for some kind of financial assistance. Of the 1,000 calls we receive, approximately 100 are from people who simply cannot afford child care. Unfortunately, our county does not have an adequate number of spaces available for assistance. Because of those needs, we are very appreciative of the efforts of people who are documenting the needs for child care and implementing programs.

Frederick Morey, Deputy Director, San Diego County Planning Department and President of Board of Directors, San Diego County Employees Child Care Center

Mr. Morey said that the reason he got into employer sponsored child care was that his secretary expressed a desire to have a baby and said she would like to see a county day care facility. Soon he was involved with the people from the Child Care Resource Center and was part of a task force to explore the feasibility of putting an on-site day care center in the county of San Diego to serve County employees. That was three years ago. It was indeed a difficult process, but it was a very politically popular idea. The Board of Supervisors passed the initial funding and location clearance rather easily. The plan was to move some portable buildings from the South Bay area to the Ruffin Road County complex.

The problems arose with the county officials such as Risk Management who were concerned about law suits if a child were to be hurt or killed. The Unions began to talk about wanting to put the whole issue on the table for negotiations. Each of the problems was conquered one at a time, and finally we had our money (\$50,000) and our site. In addition, CECO, the County Charitable Organization, donated \$12,000 as a start-up fund which was essential. It not only provided funds for equipment and supplies, but it enabled the board to hire a well-qualified director for three months prior to opening. This is the first county which has taken on a project such as this. One purpose of this pilot project was to demonstrate to private employers that they could put this same plan into action themselves for their employees. The center is doing just that. Even though it is having some problems, it is demonstrating that this can be done. A unique feature of this facility is that the county does not run it. It operates as a nonprofit corporation which signed a lease with the County of San Diego for \$1.00 per year. The Board of Directors runs the program. One reason this was important to us was to avoid the bureaucracy inherent in government transactions. Another was to provide parents with control over the center policies.

Mr. Morey said, "Last September we got our license about 24 hours before we opened. I work in planning so you would think I would know all about planning. Well, I had assumed this whole time that this center would be exempt from City Planning regulations because we are a county facility. This is normally true; however, at the last moment the state required the city to sign off on the zoning on the center. The City Planning office at first said we need an environmental impact report, that there were some problems with the setbacks, that the mobile facility to house a child care center was a problem, etc. With some begging and pleading, we worked all that out without

too much expenditure. They were cooperative and another public agency, San Diego City Schools gave us some furniture. The relationships with other agencies turned out to be a positive experience to the end."

The biggest problem arose when the initial enrollment was only four children. After the anticipation of a large influx, this was a shock. To get parents to switch their children's child care arrangements is a slow process. The growth has continued to be slow with a preponderance of two year olds who are more expensive to care for. This did cause some real problems with finances since staffing ratios are lower and expendable supplies (such as diapers) are more numerous. This brings up an important warning to people going into this program--make sure you have enough capital to get through unexpected expenses.

The literature being produced by the National Employer Supported Child Care Project should prove very helpful to people who undertake this task in the future. I recommend that any sponsors definitely choose and clear the site very early in planning. Most governmental agencies and private companies do not have space sitting around which is amenable to a child care center setting.

Barbara Lerner, Director, San Diego County Employees Child Care Center

Ms. Lerner talked about the various options there are for employer sponsored day care. Among the various ways employers can assist employees with child care, the on-site center is the most valuable to the parents. All the other systems are good, some have financial benefits, but the on-site center offers something unique. She named advantages of the on-site center:

Parents and children are near each other. Children can take field trips to see where their parents work. The child can say, "My mommy works

over there." It brings the parents and children closer together in more ways than just physical proximity.

Since the parent and child are going to the same place for child care and work, the extra time in transit is a valuable sharing time.

When problems of any sort arise at the center, there is the opportunity for parents to be readily available. If a child is sick or injured, the parent is a moment away.

The parent knows more about the kind of care the child is getting firsthand as parents can and do often drop in at their lunch or break time.

The parents become a cohesive group as they discover common interests and develop a commitment to the center as their own.

When the center is run as a parent co-op, families feel even more a part of the center as they assist with maintenance, repairs and curriculum.

All levels of employment echelons meet at the center on common ground as parents. This can contribute to company morale.

Employees are likely to be more relaxed due to the comfort with their child's child care situation.

The on-site program offers a very special set of benefits to children, parents and employers which cannot be duplicated with other types of child care or assistance.

Barry Woods, Executive Director, San Diego Flexible Worktime Council

Mr. Woods moved to San Diego about nine months ago. When he moved to San Diego, his wife's position was full time and he did not have a position

as yet, so he took responsibility for caring for their daughter. In January, he started the Professional Parttime Workers' Council with some friends. It is designed to be a telephone network of people to help them get into a flexible work situation.

Dale Damsky, Child Development Instructor, Grossmont College

As the outreach and parent education coordinator for the county, Ms. Damsky has been giving "brown bag" lunch programs on a voluntary basis within the county offices to promote parenting skills in general and to make the County Employee Child Care Center known to county employees. The center has also held evening meetings for parents, with the excellent attendance indicating their sense of commitment to their child care center. It has been good for morale for employees who feel the county is doing something for them.

Another program was an ongoing parent seminar which lasted six weeks. Parents would come and learn how to provide quality care, which is very important to working parents with little spare time.

Kathy Goodman, President, San Diego County Employer Sponsored Day Care Network

A few years ago Ms. Goodman developed an interest in this topic. She was forced to refer to Los Angeles organizations for information as none existed in San Diego. Around that same time, Jean Brunkow also began to meet with other consultants on the topic of Employer Sponsored Child Care. Why isn't anything happening in San Diego? For two years several companies have

showed an interest, but none have developed a center. Even so, more companies are showing an interest all the time. The major goal of the organization is to disseminate information.

As was pointed out earlier, many newspaper articles began to relate what is happening nationally. The network wanted to share information about options--that employer sponsored child care does not have to be only on-site centers. The alternatives noted earlier in the day are important because they do relieve the stress on families and help employees have a more productive and happier work force. All these are important options happening nationally that interested San Diegans should know about.

(Notes were transcribed by Nory Behana, who was a student in the Advanced Administration class and was also vice president of Phi Upsilon Omicron, a co-sponsor of the symposium.)

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